

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

In Re:)	BK No.: 17-11697
ARTHUR B. ADLER AND ASSOCIATES,)	
LTD.)	Chapter: 7
)	Honorable Jack B. Schmetterer
)	
Debtor(s))	

**ORDER ON TRUSTEE'S MOTION TO APPROVE COMPROMISE
WITH DISCOVER BANK**

This matter coming before the Court upon the motion (the "Motion") of David P. Leibowitz, as Chapter 7 Trustee (the "Trustee") for entry of an order approving the Trustee's compromise with Discover Bank ("Discover"); the Court having reviewed the Motion and finding good cause exists to grant the relief requested in the Motion, IT IS HEREBY ORDERED:

1. The compromise with Discover attached to this order as Exhibit A is approved.
2. The Trustee is authorized and ordered to execute any and all documents necessary to effectuate the agreed settlement.
3. This Order is final within the meaning of 28 U.S.C. §158.

Enter

Honorable Jack B. Schmetterer
United States Bankruptcy Judge

Dated: 16 JAN 2020

Prepared by:

Paul M. Bauch (ARDC #6196619)
Carolina Y. Sales (ARDC #6287277)
BAUCH & MICHAELS, LLC d/b/a LAKELAW
53 W. Jackson Boulevard, Suite 1115
Chicago, Illinois 60604
Tel: (312) 588-5000
csales@lakelaw.com

SETTLEMENT AGREEMENT

This settlement agreement (the "Agreement") is made and entered into this 19th day of December 2019, by and among David P. Leibowitz, not individually but as chapter 7 trustee (the "Trustee") for the estate of Arthur B. Adler & Associates, Ltd. (the "Debtor") and Discover Bank ("Discover").

RECITALS

WHEREAS, on April 13, 2017, the Debtor petitioned for relief under Chapter 7 of the Bankruptcy Code as set forth in Debtor's petition filed under Case No. 17-11697 ("Bankruptcy Proceeding") before the United States Bankruptcy Court for the Northern District of Illinois ("Bankruptcy Court");

WHEREAS, the Trustee asserts a claim against Discover seeking to recover, avoid, and/or preserve \$44,011.11 alleged as fraudulent transfers pursuant to Section 548 of the Bankruptcy Code and 740 ILCS 160/5 and 160/6 (the "Claim");

WHEREAS, on April 9, 2019, the Trustee filed an adversary proceeding against Discover as Case Number 19-00612 (the "Adversary Proceeding");

WHEREAS, Discover asserts that it has valid defenses to the Claim;

WHEREAS, in order to avoid the time, risk, expense and uncertainties of litigation and collection, the parties wish to enter into this Agreement to compromise and resolve the Claim.

PROMISES AND COVENANTS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

A handwritten signature in black ink, appearing to be a stylized 'R' or 'B' followed by a horizontal line.

1. The above recitals are hereby incorporated herein and made a part of this Agreement.

2. **Payment by Discover and Dismissal of Adversary Proceeding:** Discover shall pay the Trustee \$28,750 (the "Settlement Amount") within 28 days of the Court's entry of an order approving the Trustee's Motion to Approve Compromise. Upon the execution of this Agreement, the Trustee shall provide Discover with an executed IRS Form W-9. The Trustee shall cause the Adversary Proceeding to be dismissed, with prejudice, within 14 days of receipt of the Settlement Amount.

3. **Claim in Settlement Amount.** Discover shall be allowed to file a general prepetition unsecured claim in the Bankruptcy Proceeding, pursuant to 11 U.S.C. § 502(h), in the amount of \$28,750.

4. **No Admission of Liability.** Discover admits no fault or liability with respect to the Claim.

5. **Involuntary Payment and Reservation of Rights.** Discover's payment under this Settlement Agreement is an involuntary payment made in settlement of the Claim, and Discover reserves all its rights against third parties, including the persons and property benefited by the transfers, with respect to seeking reimbursement of the Settlement Amount.

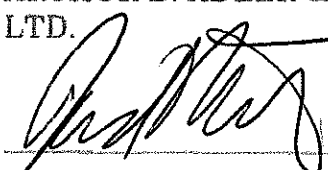
6. **Mutual Releases:** Except as specifically set forth herein, by execution of this Agreement and payment of the Settlement Amount, subject to the terms and obligations of this Agreement, Discover and the Trustee shall release each other,

their shareholders, directors, officers, agents, attorneys, employees, successors or assignees, heirs, parent companies, subsidiaries and affiliates from any and all claims, actions, defenses, or affirmative defenses from the beginning of time until the date first set forth hereinabove, relating to the Claim. Notwithstanding the foregoing, neither the Trustee nor Discover shall release any claims against any other person for whose benefit the transfers relating to the Claim were made.

7. This Settlement Agreement may be executed in counterparts. This Settlement Agreement shall be governed by Illinois law and shall not be amended or modified except by a written instrument executed by all of the parties hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the day and year first hereinabove written.

DAVID P. LEIBOWITZ, CHAPTER 7
TRUSTEE FOR THE ESTATE OF
ARTHUR B. ADLER & ASSOCIATES,
LTD.


12/19/19

DISCOVER Bank

By: 

Name: Jan Shalv

Its VP